



Minnesota DNR News

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DNR issues permits for NorthMet mining project in northeast Minnesota

The Minnesota Department of Natural Resources announced today that it has issued permits for Poly Met Mining, Inc.'s (PolyMet's) proposed NorthMet mining project in northeast Minnesota.

The DNR has issued the permit to mine, six water appropriation permits, two dam safety permits, a public waters work permit, and an endangered species takings permit for the NorthMet project.

The permit to mine includes a financial assurance plan and wetland replacement plan.

Today's action completes the DNR's consideration of the major permits that the project needs from the DNR in order to proceed. However, the NorthMet project still requires water and air quality permits from the Minnesota Pollution Control Agency and a wetlands permit from the Army Corps of Engineers, in addition to other local permits and approvals.

"No project in the history of Minnesota has been more thoroughly evaluated," said DNR Commissioner Tom Landwehr.

"Based on the DNR's review, we are confident that the project can be built, operated, and reclaimed in compliance with Minnesota's rigorous environmental standards, which are designed to protect human health and the environment," Landwehr said. "This does not mean that the project will not have impacts, but it does mean that the project meets Minnesota's regulatory standards for these permits."

The NorthMet project would create an open pit copper, nickel, cobalt and precious metals mine and would refurbish a portion of the former LTV Steel Mining Company processing plant. The project is located near the cities of Hoyt Lakes and Babbitt.

Comprehensive financial assurance package

The NorthMet permit to mine permit includes a comprehensive, PolyMet-funded financial assurance package designed to provide sufficient funds for the DNR to reclaim and close the mine and plant site in the event that PolyMet should fail to do so.

Prior to issuance of the permit to mine, the company provided \$74 million in financial assurance for the construction phase of the project, which will last approximately two years. The total required financial assurance at the start of mining is currently estimated at \$588 million. In the year of peak mining activities, the DNR currently estimates the required financial assurance at approximately \$1.039 billion.

The DNR will review the company's financial assurance obligations annually and amounts will be adjusted as necessary to ensure that the state has sufficient funds to reclaim the site should it close unexpectedly at any point.

"The financial assurance package has been thoroughly vetted by independent financial experts and provides comprehensive protections for Minnesota," said Landwehr.

Public input results in changes

Since the project was first proposed in 2004, the DNR and other state and federal agencies have thoroughly evaluated the NorthMet project, including multiple opportunities for public input on both the environmental impact statement and draft permits.

During the public's review of the proposed project's Supplemental Draft Environmental Impact Statement, the DNR and its federal agency co-leads held three public meetings and systematically reviewed approximately 58,000 comments.

During the permitting process, the DNR and MPCA also held two public meetings and the DNR considered more than 22,000 comments on its draft permits.

Several tribal governments and stakeholder groups submitted extensive and substantive comments that resulted in important changes to the NorthMet permits.

Examples of changes include: additional surface and groundwater monitoring points, additional financial assurance, more specific timelines and approvals for submittal of final designs and project work plans, pilot and field testing for the tailings basin pond features, greater safety ratings for the high concentration wastewater pipeline, and additional seepage collection system requirements.

Additional steps

In issuing its permits, the DNR has completed its decision making process on the NorthMet permit applications and is not taking further public comment on the applications.

Prior to the DNR's permit decisions, PolyMet has obtained from mining company Cliffs Erie certain properties associated with the former LTV taconite facility. The DNR has executed modifications to certain permits in connection with these property transfers to ensure that all permit obligations, including financial assurance, are maintained with the proper party.

Additionally, prior to making permit decisions, the DNR concluded it would not order a pre-decisional contest case hearing(s) regarding the permits. Detailed explanation of the agency's decision to deny the contested case requests is included in the DNR's findings for its permit mine decision.

Online public information

The DNR and MPCA have a joint web portal for the PolyMet project at polymet.mn.gov. The DNR's final permits and additional documents related to these permit decisions will be available later this afternoon via the portal or at mndnr.gov/polymet.

The portal provides permitting-related information from both agencies, as well as links to the DNR's earlier environmental review documents.

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